

Division of Securities
Utah Department of Commerce
160 East 300 South
Box 146760
Salt Lake City, UT 84114-6760
Telephone: (801) 530-6600
FAX: (801) 530-6980

**BEFORE THE DIVISION OF SECURITIES
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF:

JOHN BOYD TENNEY;

Respondent.

**STIPULATION AND CONSENT
ORDER**

Docket no. SD-02-0106

The Utah Division of Securities, ("Division"), by and through its Director of Enforcement, Michael Hines, and John Boyd Tenney ("Tenney" or "Respondent") hereby stipulate and agree as follows:

1. Tenney was the subject of an investigation conducted by the Division into allegations that Tenney violated certain provisions of the Utah Uniform Securities Act, ("Act"), Utah Code Ann. § 61-1-1, et seq, as amended.
2. In connection with the Division's investigation, on July 17, 2002, the Division issued an Order to Show Cause against Tenney.

3. Tenney and the Division have agreed to settle this matter by way of this Stipulation and Consent Order (“Stipulation”).
4. Tenney admits the jurisdiction of the Division over Tenney and over the subject matter of this action.
5. Tenney waives any right to a hearing to challenge the Division’s evidence and present evidence on Tenney’s behalf.
6. Beginning in December 2001, the Division conducted an investigation into this matter which revealed:
 - a. John Boyd Tenney is an individual, who at the time of the investigation, resided at 3641 Golden Oaks Drive in Salt Lake City, Utah. Tenney is currently incarcerated at the Utah State Prison.
 - b. EchoTek Communications (“EchoTek”) is a DBA of Aspirit Corporation that maintained its principal place of business at 3648 West 2100 South in Salt Lake City, Utah. Aspirit Corporation is a Utah Corporation that was registered with the Division of Corporations from March 31, 2000 until February 13, 2002. The filing became delinquent on May 31, 2001 for failure to file a renewal. Aspirit Corporation’s current status is “Expired”.
 - c. Records of the National Association of Securities Dealers (“NASD”) Central Registration Depository (“CRD”) and the Division indicate that Tenney was not

licensed as a broker-dealer or agent in the State of Utah at all times relevant to this matter.

- d. The securities of EchoTek are not registered with the Division.
- e. Records of the state and federal courts reveal that Tenney has over 20 judgments from 1986 to 2001 totaling over \$850,000 including a 1992 state felony case in which Tenney was found guilty of 27 felony counts of securities violations.
- f. In approximately March 2001, Tenney began soliciting Utah residents to invest in EchoTek. At least 10 individuals invested \$850,000.
- g. Tenney offered potential investors promissory notes and factoring agreements. These investments are securities as defined in § 61-1-13 (24)(a) of the Act.
- h. In connection with the offer and sale of securities in EchoTek, Tenney made the following misrepresentations:
 - i. Investors would double their money in one year without any risk;
 - ii. Investor funds would be used solely for the purpose of EchoTek;
 - iii. Investors would have first position to be paid out of EchoTek's accounts receivables;
 - iv. Investors would receive an undivided 2 percent interest in EchoTek common stock, which would entitle them to dividends, distributions, valuations, and any other benefits which might accrue to the stockholders of EchoTek;

- v. If EchoTek violated any part of its agreement, investors could terminate the agreement immediately. In fact, although investors have demanded return of their money, they have been unable to recover their principal;
 - vi. EchoTek was a “cash cow” and would have more than enough money to pay investors in full, with interest, in 30 days;
 - vii. Investors would receive 18 percent per annum on their investments;
 - viii. An investor would have the right to fund all EchoTek’s invoices for two years and the opportunity to purchase 10 percent of EchoTek for \$150,000 as warrants for a four-year period; and
 - ix. EchoTek had a contract with AT&T for sales and service work, and investors could be paid directly from AT&T.
- i. In connection with the offer and sale of securities in EchoTek, Tenney omitted the following material facts:
- i. Investor funds were being used for personal expenses of EchoTek principals;
 - ii. Investor funds were not fully secured by Linknet stock;
 - iii. Investor funds were being used to pay off other investors;
 - iv. Investor was not in first position to be paid out of EchoTek’s accounts receivables;
 - v. The security was not registered nor exempt from registration;

- vi. Tenney was an unlicensed broker-dealer or agent;
 - vii. Company assets and debts;
 - viii. Experience of the officers or directors;
 - ix. Number of investors or performance to previous investors;
 - x. Lawsuits, judgments, tax liens, debts, bankruptcies, or any action taken against seller or others involved with the investment.
7. On March 16, 2005, Tenney was found guilty of four counts of securities fraud, all second degree felonies; one count of sale of an unregistered security, a third degree felony; one count of sale of a security by an unlicensed agent, a third degree felony; one count of employing an unregistered agent, a third degree felony; and one count of pattern of unlawful activity, a second degree felony, in State of Utah v. John Boyd Tenney, Third Judicial District Court, Case No. 021910360. Tenney was sentenced to the Utah State Prison on June 6, 2005.
8. Tenney neither admits nor denies the substance of the Division's investigative conclusions and consents to the Division entering an Order:
- a. Permanently enjoining Tenney from selling or offering for sale securities in any form in, or from the State of Utah,
 - b. Permanently enjoining Tenney from aiding, abetting, counseling, inducing, or causing any other person to sell or offer for sale securities in any form in, or from the State of Utah,

- c. Requiring Tenney to pay a fine of \$25,000 to the Division, to be waived upon execution of this Stipulation.
- 9. Tenney acknowledges that this Stipulation, upon approval by the Division Director, shall be the final compromise and settlement of this matter. Tenney further acknowledges that if the Division Director does not accept the terms of the Stipulation, it shall be deemed null and void and without any force or effect whatsoever.
 - 10. Tenney acknowledges that the Stipulation does not affect any civil or criminal causes of action that third parties may have against Tenney arising in whole or in part from Tenney's actions.
 - 11. This Stipulation constitutes the entire agreement between the parties herein and supersedes and cancels any and all prior negotiations, representations, understandings, or agreements between the parties. There are no verbal agreements which modify, interpret, construe, or otherwise affect this Stipulation in any way.
 - 12. A material violation of this Stipulation is a third degree felony pursuant to § 61-1-21(1) of the Act.
 - 13. Tenney has read this Stipulation, understands its contents, and enters into this Stipulation voluntarily. No promises or threats have been made by the Division, nor by any member, officer, agent, or representative of the Division, to induce Tenney to enter into this Stipulation.

Utah Division of Securities

Date:

12/13/15

By:

[Signature]

MICHAEL HINES

Director of Enforcement

Respondent

Date:

Dec. 10, 2005

By:

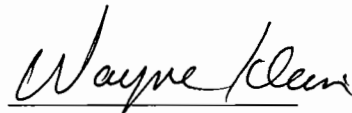
[Signature]

JOHN BOYD TENNEY

ORDER

The terms of the Stipulation and Consent Order defined above are hereby accepted and incorporated herein as a final order.

DATED this 16th day of December 2005.



WAYNE KLEIN

Director, Utah Division of Securities

Approved:




JEFF BUCKNER

Assistant Attorney General

CERTIFICATE OF MAILING

I hereby certify that on the 20th day of December 2005, I mailed,
regular mail, a copy of the foregoing Stipulation and Consent Order to:

Inmate John Tenney
Inmate Number 38177
Housing Unit Elm 514-T
Central Utah Correctional Facility
PO Box 550
Gunnison UT 84634-0550



Executive Secretary